



## Inclusive Poverty Reduction for Sustainable Development in Nigeria

Abubakar, T. Hassanat

Economics Department Federal College of Education Okene, Kogi state.

### ABSTRACT

Published Online: May 16, 2023

This study is premised upon the fact that any poverty reduction programme that is not inclusive can not fully deliver on sustainable development. Hence, the study focus is on how poverty alleviation policies can be inclusive so as to guarantee sustainable development in Nigeria. The study appraised some of the poverty reduction programmes in Nigeria so as to assess the extent to which they are inclusive when compared with global best practice using the Chinese multi-dimensional poverty reduction model. The study revealed that the Chinese model was designed to capture various dimensions of poverty with the intention of solving them based on their uniqueness and that some poverty levels are environmentally determined. The study further revealed that the poverty reduction approaches in Nigeria cannot be said to be inclusive and sustainable. Level and to suggest possible solutions in order for poverty reduction policies to bring about desired inclusivity and sustainable development in Nigeria. The study recommended that Government policy on poverty alleviation should follow a multisectoral approach where all the stakeholders are given specific roles to play and that the Government should determine how the intended beneficiaries are to be identified to ensure that the benefits reach them directly.

### Keywords:

Inclusivity, poverty reduction, sustainable development, Nigeria

### 1.0 INTRODUCTION

The dominance of poverty in the public space is a testament to the gigantic nature of the problem of poverty in Nigeria. Nigeria is a nation of riches and poverty splendid, wealth in the hands of few and extreme/abject poverty at the doorsteps of many. The description of Nigeria as a paradox by the World Bank (1996) has continued to be confirmed by events and official statistics in the country. The paradox is that the poverty level in Nigeria contradicts the country's immense wealth. Among other things, the country is enormously endowed with human, agricultural, petroleum, gas, and large untapped solid mineral resources (SEEDS, 2004). Particularly worrisome is that the country earned over US\$300 billion from one resource – petroleum – during the last three decades of the twentieth century. But rather than record remarkable progress in national socio-economic development, Nigeria retrogressed to become one of the 25 poorest countries at the threshold of twenty-first century whereas she was among the richest 50 in the early-1970s (World Bank, 1996).

*Corresponding Author: Abubakar, T. Hassanat*

*\*Cite this Article: Abubakar, T. Hassanat (2023). Inclusive Poverty Reduction for Sustainable Development in Nigeria. International Journal of Social Science and Education Research Studies, 3(5), 888-896*

On the other hand, Suleri, Javed, Ramay (2018) put forward that intensified structural reforms by the Chinese government have been of great assistance in their landmark success to alleviate poverty in urban and most importantly rural areas.. During the last four decades, China has made momentous achievement in lessening poverty by instituting revolutionary structural reforms and trade policies. The country embraced poverty elimination policies in 1978. The World Bank concedes that as result of China's effective poverty dismissal policies, around 700 million people raised out of arduous poverty by 2017. In this span of time, the poverty rate dropped from 88 per cent in 1981 to merely 2.1 per cent in, which is a groundbreaking achievement. Such incredible development in plummeting poverty is guaranteed by the steady and rapid economic growth escorted with coherent political environment.

Whereas for Nigeria the reverse is the case, poverty alleviation programmes and policies have brought commensurate alleviation neither has it significantly drawn people out of poverty. According to the United Nation Development Programmes Human Development Report (2008-2017) which combined such components as; level of inequality, life expectancy at birth, standard of living and access to knowledge, and education, between 2004 and 2016 poverty in Nigeria has worsened from 0.43 to 0.49. This shows that despite its vast resources, Nigeria still ranks

among the 25 poorest countries of the world. As a matter of fact, a UN report (2018) has it that Nigeria is now the poverty headquarter of the world haven overtaken India recently and ever since nothing seems to have changed.

In the mean time, the phenomenon of poverty and its various alleviation strategies by the government has been quite noticeable in Nigeria especially since the second Republic (Osmond, 2015). Various Governments have made deliberate efforts in reducing poverty, earmarking huge funds from the nation's coffers without any appreciable result. Available statistics show that poverty has continued to deepen over the years since 1980. Although, poverty is a global phenomenon, its incidence in Nigeria has been increasingly high since 1980.

Furthermore, to conquer poverty requires comprehensive action at the local, state, national and global levels, to expand people's opportunities, empower them and increase their security. Though it is generally believed that when there is economic growth, the benefits will trickle down to the poor, for the Nigerian nature of poverty, this has not being the case considering the endemic and widespread nature of the poverty most communities are confronted with in Nigeria. Hence, this paper seek to find out; how poverty alleviation policies and programmes can be made inclusive and sustainable in Nigeria?

## **2.0 LITERATURE REVEIW**

### **2.1 Conceptual Framework**

#### **2.1.1 Poverty**

Central to the quest for policies and programmes that will reduce poverty is the issue of the conceptualization of poverty. Conceptually, three dominant views are identified as the meaning of poverty in the literature. According to Oyeranti and Olayiwola (2005), the first view sees poverty as a severe deprivation of some basic human needs at the individual or household level. Put differently, poverty is a material deprivation, and this can be assessed in monetary terms. While this conceptualization of poverty makes the quantitative analysis of poverty straightforward and permits comparisons over time and between countries, it fails to recognize non-material forms of deprivation such as illiteracy and social discrimination among others. The second view has a direct link with the work of Sen (1999), and it defines poverty as the failure to achieve basic capabilities such as being adequately nourished, living a healthy life, possession of skills to participate in economic and social life, permission to take part in community activities to mention a few. This conceptualization forms the basis for the belief that poverty is multi-dimensional. Although, the capabilities framework offers many advantages over the income-consumption conceptualization, yet it is argued by Karlsson (2001) that it requires a greater variety of data and that no consensus exists on how capability deprivation at the household level is to be computed.

The third conceptualization of poverty came into limelight in the 1990s and has a fundamentally different approach to the understanding of poverty: the subjective poverty assessments. Karlsson (2001) presented five conclusions from the voices of the poor series, these are:

- (a) Poverty needs to be viewed in a multi-dimensional way. Hunger is part of everyone's understanding of poverty. Equally strong is the sense of powerlessness, voicelessness, and humiliation that comes with being poor.
- (b) The state has been ineffective. People everywhere fear police, they hate corruption, and they trust only their own institutions.
- (c) Non-governmental organizations play a limited role. People rely on informal networks.
- (d) Households are under deep stress. Gender relations are crucial to understanding poverty, particularly the positions of men.
- (e) The social fabric is often poor people's saving grace, and it is under threat.

The World Development Report (2000/2001) recognizes many of the conclusions on the meeting of poverty, and then develops three principles that directly augment what is known of poverty previously and how to attack poverty. These principles are:

- (1) Empowerment-with a pro-poor state and voice for the community.
- (2) Security-against natural disaster, war, violence and unforeseen changes in income and health.
- (3) Opportunity-promoting assets and enhancing the return on them through public and private policies.

The World Development Report (2000) extends the concept of poverty beyond income and consumption plus education and health, to include rise and vulnerability, as well as voicelessness and powerlessness. It is not necessarily the case that should affect the poor disproportionately, but it is clearly the case that they are more vulnerable.

Furthermore, the World Bank (2019) considered a person poor of his or her income level fall below some minimum level necessary to meet the basic needs. It sets minimum level, or international poverty line, as living on less than \$1.90 a day. Poverty therefore is a state of one who lacks a usual or socially acceptable amount of money or material resources. Poverty by Chen (2019) is a state or condition in which a person or community lacks the financing resources and essentials for minimum standard of livings. Poverty means that the income level is so low that the basic needs cannot be met. Poverty-stricken people and families might go without proper housing, clean water, and medical attention. Each nation may have the threshold that determines how many of its people are living in poverty.

Given the present understanding that poverty goes beyond material and capabilities deprivation, it is acknowledged in the literature that business as usual will not eliminate or reduce poverty. In other words, poverty reduction requires more than just delivering money and advice.

### 2.1.2 Dimensions of Poverty

i. **Rural Poverty:** Perhaps the most valid generalizations about the poor are that they are disproportionately located in rural area, that they are primarily engaged in agricultural and associated activities, that they are more likely to be women and children than adult males, and that they are often concentrated among minority ethnic groups and indigenous peoples (World Development indicators, 2007).

It is interesting to note, in light of rural concentration of absolute poverty, that the largest share of most Less Developed Countries' (LDCs) government expenditure over the past several decades has been directed toward the urban area and especially toward the relatively affluence modern manufacturing and commercial sectors. In view of disproportionate number of the very poor who reside in rural areas, any policy design to alleviate poverty must necessarily be directed to a large extent toward rural development in general and agricultural sector in particular (Todaro & Smith, 2009).

#### ii. **Urban Poverty**

There has been mass movement of people from the rural areas to urban areas this is in the view of escaping poverty. But after all, these people end up more impoverished (or in a more severe poverty). Poverty in urban areas takes the forms of stress on facilities, too few jobs hence high rate of unemployment, homeless/lack of shelter. Also in the urban areas we have two sets, the rich and the poor having their individual setting or dwelling place. Most time it is difficult to tell whether rural or urban dwellers' which is poorer (Todaro & Smith, 2009).

iii. **Women and Poverty:** Women make up a substantial majority of the world's poor. If we compared the lives of the inhabitants of the poorest communities throughout the developing world, we would discover that virtually everywhere, women and children experience the harshest deprivation. They are more likely to be poor and malnourished and less likely to receive medical services, clean water, sanitation and other benefits. The prevalence of female-headed households, the lower earning capacity of women and their limited control over their spouses' income all contribute to this disturbing phenomenon. In addition, women have less access to education, formal sector employment, social security, and government programmes. This fact combines to ensure that poor women's financial resources are meager and unstable relative to men's (Asuru, 2017).

iv. **Voluntary Poverty:** Some religion favors poverty, they believe that being poor brings one close to the will of his creator and not living in sin. Hence, they voluntarily remain poor.

### 2.1.3 Causes of Poverty

#### i. **Poverty be can caused by circumstance of birth.**

Using the circle of poverty as an example, poverty can be

inherited from previous generations and pass on to another generation. If one is poor and have inadequate income to sustain and train his children, the children may end up in the same poverty situation and having nothing to offer their children (see the works of Omoniyi, 2018; Aigbokhan, 2008).

ii. **Lack of Education:** When one lacks certain ability that is necessary to earn him a good job, due to his inability to acquire the necessarily knowledge/development that makes him fit for the job, he/she might end up poor-this also means lack of skill (see the studies of Omoniyi, 2018; Fapohunda, 2012).

iii. **Health Condition:** Health condition can lead to physical and mental illness. Bad health can result in stress, which in turn leads to a worsen poverty situation (see the works of Omoniyi, 2016; Aku, Ibrahim & Bulus, 1997).

iv. **Distribution of Resources:** For example land in rural areas, and also unequal income distribution can also result in poverty for low or no income earners (see the works of Omoniyi, 2018; Addae-Korankaye, 2014).

v. **Training for Skill:** especially in rural areas when there are no avenues to train for skills which can give or create work opportunities to the trainee (see the work of Omoniyi, 2018).

vi. **System of inheritance:** In Africa and Nigeria in particular, inheritance system deprives women and children of their heritage (wealth) and most of them ended up in poverty. On the other hand substantial wealth is passed down from wealthy father to his child/children while the poor remain in their poverty (see the works of Omoniyi, 2018; Aigbokhan, 2008).

vii. **Location:** Peoples location might lead to poverty situation. Rural dweller easily end up being poor and jobless while urban dweller are more exposed to chances of working and become rich (Chimobi, 2010).

### 2.1.4 Effect of Poverty

The causes are interrelated similarly the effects are also interrelated.

i **Poverty and Education:** Lack of education could deprive someone who is not educated from giving education to his/her children and they may end up in child labour/poverty.

ii **Poverty and Environment:** The effect of poverty on environment may not be conclusive. The affluent person may generate waste on others through his activities similarly the poor using wood to cook depletes the forest as well as causing pollution on the environment.

iii **Poverty and Terrorism:** It is believed that frustrated folks ended up in terrorism. But we cannot be conclusive on that, as it can also result from bad governance. But the poor can easily be lured into it courses.

iv **Child and Poverty: children** of the poor might easily end up poor as result of social and economic depravity. **Poverty and crime:** The poor has been viewed as crime perpetrators, but findings have also revealed that the rich also engage in crime.

v **Poverty and women:** Women constitute a substantial majority of the world. Yet women and children experience the harshest deprivation. Women poverty has strong effect on child poverty. Women plays a key role of rearing/raising up children performing these roles without adequate income might lead to the child ending up in similar poverty situation (Oduro, 2015, 2009; Chimobi, 2010).

### 2.1.5 Indicators for Measuring Poverty Level

Poverty indicators are used as measures of poverty in evidence and depth. They summarize the income, living standard and social condition of the poor. But because poverty is multi-dimensional, the type and range of indicators required to capture the overall degree of poverty are wide. They can however, be broadly categorized into **income** and **social** types of indicators.

**Income indicators:** are often expressed in terms of household income, income distribution and consumption patterns.

**Social indicators,** which are used to compliment income/consumption indicators generally, measure the degree of access to social services and infrastructure. Key social indicators include: life expectancy, infant mortality, nutrition, and access to such social amenities as drinking water, sanitation, and health services, education, transport, decent shelter and so on. If possible all these income and social indicators may be captured by one measure of poverty threshold, which can be used to separate the poor from the non-poor. This threshold measures is the poverty line, which is cut off level of living below which a person is regarded as being poor. However, it is not easy to capture all the wide-ranging economic and social dimensions of poverty in one all-inclusive poverty line; hence poverty line is often expressed simply as an income or expenditure threshold.

## 2.2 Theoretical framework

The theoretical framework for the study will espoused the mode of intervention that the Chinese government have put in place over the years tagged the Chinese Poverty Alleviation model aimed at ensuring that more persons are drawn out of the poverty than any other nation on earth. Other nations of the world especially African countries have a lot to learn from this model as this will form the basis for our analysis.

### 2.2.1 Targeted Interventions

Chinese government chalked out an enlarged programme to restraint poverty. The programme with its institutional arrangements is discussed here for better understanding and deducing results for policy intervention in Pakistan. In this regard, Dibao was the biggest programme initiated in the recent human history to eliminate poverty.

#### 2.1. Dibao Programme

In the early 1990s, China went for a primary social security programme called Minimum Livelihood Guarantee (MLG) or Dibao that targeted poor in rural as well as urban areas. . The programme is regulated by central but implemented by the

local governments. It is principally financed by local governments but subsidized by central government when counties encountered financial restraint. In 2014, Dibao contained 76% (42% rural and 34% urban) of the total expenditures allocated for social security net covering more than 40% of total population. As an alternative to old social security programme, it focuses the most vulnerable groups with no ability to work and support of family and was set up for “the new poor” who have capability to work but unable to fulfil their basic needs due to no job opportunity (Gao, Yang and Li, 2013). Dibao helped in addressing the inimitable needs of ultra-poor by providing them supplementary assistance in four major areas, i.e. housing, health, education, and temporary assistance for unexpected disaster (Liu, 2010). These assistance programmes are described below.

#### a. Low Rent Houses for the Poor

Housing assistance was first announced to provide low-rent houses to poor families with mammoth housing needs. Funded by local and backed by the central government, this programme was extended in 2007 by proposing renovation support to poor families having shabby or precarious houses (Xu, 2013).

#### b. Targeted Health Reforms

Health assistance was directed to only rural area but later it was provided nationwide under Dibao and Wubao programmes. Medical succor was provided in the form of cash subsidies – majorly through reimbursement to avoid cash usage for other tenacities, including inpatient treatments, insurance premiums and also doctor’s visits. In addition, a tailor-made insurance programme was also executed. Under this programme, low cost medical insurance was provided to low income people whereas free insurance facility was given to the poor segment of population. This rationing in health sector has enabled Chinese government to target deserved people while excluding free riders.

#### c. Educational Emergency

Third pie of social assistance programme is the education launched by Ministries of Civil Affairs and Education. Funded by central and local governments, it provides support for implementing policies by the non-government organizations (Aizer et al. 2014). Education remains the keen focus of Chinese government on the rationale that it makes people independent. Education helps people in earning livelihood and improves their lives.

#### d. Emergency Provision

Temporary support consisting of exigent aid for families encountering sudden disasters, precarious diseases, startling incidents or same kind of other hardships was first introduced in 2007. These state interventions helped the government in dealing with large-scale poverty in China, which ultimately pulled the masses from poverty trap.

## 2.3 Empirical Literatures

Umeji (2020) in his study, social inclusion: a poverty reduction approach, using descriptive research method,

examines the relationship between social exclusion, social inclusion and poverty. It is amongst the findings of this study that social exclusion is not just a major cause of poverty but a key factor in poverty severity. However, social inclusion, as a means to ending poverty in Nigeria, can be achieved through creation of employment opportunities, access to education and skills acquisition as well as minimizing social exclusion.

Bakari, Donga, Idi, Hedima, Wilson, Babayo & Ibrahim (2019) in their study carried out an examination of the Impact of Financial Inclusion on Poverty Reduction: An Empirical Evidence from Sub-Saharan Africa when they put forward that Sub-Saharan Africa has been regarded the home of poverty, housing a large number of poorly, malnourish leading to varied social vices. This study examine the impact of financial inclusion on poverty reduction in forty nine Sub-Saharan African countries using data spanning the period of 1980-2017, the study employ a static panel data model to analyze the data. It was found that savings, credits to the private sector as percentage of GDP, access to ATM, access to information Technology, Inflation, and Government expenditure play a vital role in poverty reduction, explaining 32.5, 11.7, 27.4, 49.1, 96.1, and 25.2 percent poverty reduction in the sub-region respectively. While interest rate and economic growth were found to increase poverty, explaining increase in poverty by 124 and 14.8 percent respectively. On the bases of the findings, the study concluded that financial inclusion is a viable tool for poverty reduction strategy in Sub-Saharan African countries. It was recommended that apex regulatory institutions should reduce the policy rate in order to induce low income earners access formal financial resources in addition to the re-introduction of rural banking scheme and affordable internet services in both urban and rural areas.

Gunarsih, Sayekti & Dawanti (2018), in Indonesia, investigated the impact of financial inclusion on poverty alleviation using descriptive statistic, reported that increase access to financial services has significant impact on poverty alleviation, but the impact is more pronounce in the urban areas than the rural areas because of the concentration of the financial services providers in the urban centers.

Ageme, Anisiuba, Alio, Ezeaku & Onwumere (2018) examine Empirical Assessment of the Effects of Financial Inclusion on Poverty Reduction in Nigeria In recent time, financial inclusion-poverty relation has been on the front burner of economic discourses. Most of the attempts in literature to examine the link between the two were largely based on theoretical exploration and thus far, only few works applied empirical approach to the problem. In this study, our goal was to ascertain the effect of financial inclusion on poverty reduction in Nigeria using quarterly data from 2009:Q1 to 2014:Q4. Moreover, this study is distinguished among existing literatures by choice of financial accessibility parameters, which are based objectively on financial technological innovation and distinct bank-based channels

for financial accessibility. The findings reveal that Automated teller machines inclusion channel and deposit money bank credit to the rural populace have significant positive effect on poverty reduction, whereas web based/internet banking channel and microfinance credit exert negative impact on poverty reduction. Negative effects ascribed to internet banking channel may not be unconnected with the low literacy level especially among the banking public. Hence fewer percentage of adult banked population in Nigeria use the web channels to access financial services compared to the ATMs that have continued to attract wider usage and acceptance. The results of Johansen cointegration test indicate the existence of long-run equilibrium relationship between financial inclusion and poverty reduction however, speed of adjustment based on the ECM shows that 71 percent of deviation from equilibrium path is corrected every quarter. Diagnostic tests confirm the stability and correctness of our model. We recommend that increase in alternative banking outlets should be accompanied by vigorous financial education so that the vast unbanked public, whose economic prosperities are yet to be integrated into the financial system, can be financially included.

Olayinka, Olusegun and Babatunde (2015) empirically examined the impact of entrepreneurship training and education on poverty reduction in Nigeria. The researcher adopted a stratified random sampling technique, 500 entrepreneurs and apprenticeships were chosen from six recognized Local Government in Lagos State. The best linear unbiased estimator was used to test the relationship between entrepreneurship training and poverty reduction Nigeria. The result emanated from the findings suggests that there exist a positive and significant relationship between entrepreneurship and poverty reduction and this was confirmed by the value of  $R^2$  the coefficient of determination. The study therefore recommends that the government should be wary of encouraging entrepreneurship training in all level of government as well entrenching it primary schools, tertiary institutions and inculcating it in the National University Commission curriculum.

Brown and park (2012) while studying, poverty in rural China, using primary data collected on household and a method of chi-square ( $\chi^2$ ) analysis, they established the hypothesis that discomfort index has significant negative effect on economic growth. This suggested that policy aimed at improving employment especially in agriculture and provision of social and economic infrastructure that encourages work will enhance positive economic growth.

### **3.0 INSTITUTIONAL FRAMEWORK**

China's social security programme was structured to exterminate extreme poverty by bringing about structural reforms switching partially from planned to open economy. But, during early years of institutional reorganization, poverty stirred up instead of fading away. Cause of poverty upsurge was the lay-offs, as state-owned enterprises were

made private and got prone to intense competition in international market (Barrientos 2013). This stressed structural transformation was a gigantic challenge for the Chinese government, which resulted in widening scope of social policy.

The Chinese government then developed a comprehensive response to this by devising a detailed and well-thought-out institutional framework. Most important element was step-wise interventions. This framework included profiling of the poor, involvement of government officials, various stages in the implementation of Dibao, structure of incentives and performance evaluation.

These steps are described here.

### **3.1. Profiling of Dibao Applicants**

Profiling of Dibao beneficiaries was done by the Ministry of Civil Affairs in 2013. Outline was formulated by upgrading institutional framework to get better results. These institutional changes include are as follows:

- i Allowing households (HH) to directly apply for social security programme in department of Civil Affairs.
- ii Requiring county officials to scrutinize at least 30% of applications
- iii Formulating a system for filing and auditing of local official and their relatives
- iv Establishing a system to get timely feedback from community regarding benefits of Dibao and how services can be improved
- v Cross-checking the information provided by Dibao applicant with the info from other departments of government i.e. checking vehicle registration data, savings information, etc

The government has efficaciously attained the milestone by pulling millions of poor people out of poverty. This was possible only because of the profiling of the poor. Although China embraced open economy charter, major institutional reforms were needed to make a breakthrough. Instead of espousing free-market ideology and lessening the entire grip, the government has been keeping many institutions in-hand. This institutional setting functioned as bedrock of Dibao and played a vital role in its success.

Threshold to be included in Dibao was also rationed. It was made low for counties having ultra-poor people but was quite high for the relatively rich counties. Targeting framework helped in the success of poverty alleviation programme. These profiling techniques kept higher income people away from getting facilities under Dibao.

### **3.2. Involvement of Local Officials**

Implementation of Dibao programme was held basically by village committees. Village leaders and other committee members identified potential/deserving candidates for the social assistance. As members live within or in close proximity of village, so they had a required knowledge of who deserved to be beneficiary. In this way, free-riders were

easily stopped from getting any benefit. Applications of deserving people were forwarded to county authorities and then decision was made collaboratively. After the decision was made, the names of successful candidates were made public in every village. This was done to announce that decision is made rightly and deserving people are included in safety net.

### **3.3. Benefits of Involving Local Governments**

Local governments remained useful in obtaining results to reduce poverty in China. Following benefits were achieved after including local governments in implementing Dibao programme.

- i. Availability of manpower required to execute the programme
- ii. Large population of the poor could be dealt with the help of local officials.
- iii. Local government participated by providing resources.
- iv. People concentrated in remote areas were able to get benefit from social security programme.

Easy targeting has made viable for local government to initialize poverty confiscation plan. After getting prodigious results in Shanghai, five other local governments also adopted the programme to antidote intense poverty in cities (Hong, 2005).

### **3.4. Stages in Implementation of Dibao**

For the success of social security programme in several urban areas, the Chinese government implemented this plan centrally so that the poor could afford basic necessities. The plan was executed in four stages.

#### **1. First Stage**

At the first stage, Dibao was implemented at local level and then replicated nationwide. Rural regions were taken into account while regulations regarding target population and how to assist the poor were also set up at this stage.

#### **2. Second Stage**

At the second stage, the programme was widened nationwide covering all rural areas and making full coverage possible for all eligible people.

#### **3. Third Stage**

From 2007 to 2013, the third stage was stabilization and standardization of Dibao in rural as well as urban areas. Goal to get detailed data on HH economic situations was set so that supplementary assistance could be delivered to low income families.

#### **4. Fourth Stage**

Last stage of the programme, initiated in 2014, was to provide a last resort in critical situations like disasters and adversities.

### **3.5. Two-sided Performance Pressure on Government Officials**

Responsiveness of local government officials to citizens of their constituencies has played vibrant role in the success of social security programme. Democracies encounter pressures

from below by citizens to answer back through political actions or incentive conveyance (Cleary, 2007). But in authoritative regimes pressure is exerted from below as well as from above on local governments. Bottom-up pressure is by populace demanding responsiveness (Butler and Broockman, 2011) whereas top-down pressure is by central government to make local officials responsible (Fukuyama, 2014).

This double-sided pressure happened to exist in China making local government officials accountable (Edin, 2015). Chen (2016) is of the view that almost one-third of the local government officials in China respond to citizen's demand to offer social welfare. As a result of this top-down strain by the central government and bottom-up stress by general public, the performance of local officials had become enact. The causal response of threat and responsibility triggered the local government to implement the programme effectively.

### **3.6. Inceptive Structure for Local Officials**

Local officials exerted their full effort in response to institutional structure of accountability. Top-down pressure and incentives of promotions helped in making programme successful. Institutional framework was set up to evaluate the performance of officials on the basis of poverty reduction in their constituency. Promotion of government officials was being gauged not only on attaining economic growth but also on levitating lives of the poor (Hasmath and MacDonald, 2018). Performance based measures assisted Dibao programme to become successful even in areas where it was highly skeptical.

It can be said with ease that institutional structure worked as bedrock in annihilating poverty. This program is recognized and applauded in whole world.

### **4. Difference from Rest of World**

Eradicating poverty in China was the momentous issue as masses had been living below the poverty line since the beginning of twentieth century. To uplift people from poverty trap, Chinese government took initiative in the late 70s. It was started from industrialized cities and later extended nationwide. A radical plan was designed to end hunger and malnourishment.. The Chinese government opted for multi-targeted programme instead of going for Unconditional Cash Transfer (UCT) scheme. Policies to lessen extreme poverty were devised by bringing altogether new solutions (Wong, 1998). First time in history, a government embattled multi-dimensional poverty at such a vast level. China's multi-dimensional poverty extermination programme was espoused long before the United Nations has acknowledged multi-dimensional poverty.

Alternative to UCT, Robertson et al. (2013) state that the Chinese government got acquainted with Conditional Cash Transfers (CCT). Various programmes were brought into action to increase the affordability of the poor to buy low-cost houses. Similarly, free or low-cost medical insurance,

compulsory education with no cost and provision of subsidies to families undergoing severe illnesses were also included in these programmes. This multi-targeting approach helped local governments in China to pull masses out of varied kinds of poverty traps. Effectiveness of these policies persuades not only the other countries but also the UN to go for multi-dimensional poverty eradication (Brown, 2002). Programmes under Dibao like food-for-work, jobs to earn living, loans on easy installments and free/low-cost health insurance schemes were themselves innovative. These programmes were later opted by the countries like India and Bangladesh.

With the introduction of innovative plans, China also went for paradigm switch from planned-to-market economy. Despite opening its borders for trade, the government kept firm control over domestic economy. Policies of mainstream economics propagated for liberal reforms but China accomplished high targets set to bring poor out of poverty by adopting non-liberal policies. Organizations like International Monetary Fund (IMF) kept on calling to embrace liberal policies. But, China went for tailor-made policies by opening its borders only for industries that were ready for international competition. At the same time, protection was given to domestic industry that was prone to competition. This has helped Chinese cities to grow rapidly and with the intervention of local governments, institutional changes were made. Effects of these policies were trickled-down. Such policies were originated by China with an amalgamation of liberal and command economic doctrines and customized to domestic environment.

Explicitly tailored policies were behind the attainment of poverty alleviation programme of China. These rules have made China's case poles apart from other countries especially those that embraced neoliberal policies in the wake of IMF plans. Intriguing example is Shock Therapy (Klein, 2007) in Russia by economist Jeffery Sachs referring to immediate switching to free price movements, lifting currency controls, removal of state subsidies and trade liberalization. Chile was the first country undergone Shock Therapy in 1975 after military coup by Augusto Pinochet. But, these pro-market shock therapies resulted in bringing new problems instead of solving old problems. In this regard, China's model of approving moderate level of liberalism worked fairly well. Developing countries are facing immense challenges in poverty reduction but productive results can be obtained by targeting multi-dimensional poverty with tailor-made reforms.

These reform initiatives are worthy of emulation for the majority of African countries and economies that especially that the largest concentration of the poor in the world is now housed in sub-Saharan Africa.

## **3.0 METHODOLOGY**

### **3.1 Content Analysis**

The study also employed the use of simple content analysis in analyzing the data collected. The choice of this technique

of analysis was informed by the nature of the data collected and the objective of the research. In this regard, the theoretical framework for the study involves a juxtapose of poverty alleviation efforts by government agencies like National Poverty Eradication Program (NAPEP) and National Directorate of Employment (NDE) and other related programmes and activities with that identified and discussed in the Chinese model for poverty alleviation put forward and explained in the theoretical framework. The essence is to find out the extent to which the Nigerian Poverty alleviation programme is inclusive and sustainable when compared with global best practice. The choice of the Chinese model is very explicit, because poverty reduction policies in China has been quite inclusive and sustainable given the number of poor people that have been drawn out of poverty within a short period of time. Besides, in the research parlance comparison is often made between what is rightly done and what is not; with the sole aim of finding out areas to make right in the policy design and implementation.

#### **4.0 PRESENTATION OF RESULTS**

In this section, selected poverty reduction policies as contained in the theoretical framework implemented by the Chinese government were further juxtaposed with what is practiced in Nigeria, so as to observe how poverty reduction can be made inclusive and sustainable in Nigeria. On this note, we found that their approach to poverty reduction was multidimensional and driven environmental conditions depending where the poor lives. That is, they do not employ the same policy to solve the poverty of the poor in the city when compared with the poverty of the poor that lives in the villages. This is a very unique approach to poverty reduction that made the Chinese poverty reduction initiative very inclusive and impactful. Their goal and policy was pro-poor indeed and void of the use of middle men that most often times denies the real poor the benefits of the poverty alleviation programmes. This is the bane of many poverty reduction policies in Nigeria.

For the Chinese government, eradicating poverty in China was a momentous issue as masses had been living below the poverty line since the beginning of twentieth century. Now, their policy target was very clear from the onset: to uplift people from poverty trap. Hence, the Chinese government took initiative in the late 70s. It began from industrialized cities and later extended nationwide. A radical plan was designed to end hunger and malnourishment.

Furthermore, the Chinese government opted for multi-targeted programme instead of going for Unconditional Cash Transfer (UCT) scheme. That is, their focus was mainly on policies to lessen extreme poverty were devised by bringing altogether new solutions (Wong, 1998). It is on record that that was the first time in history, a government embattled multi-dimensional poverty at such a vast level. China's multi-dimensional poverty extermination programme was espoused

long before the United Nations has acknowledged multi-dimensional poverty.

Unfortunately, in Nigeria, we are mainly involved in Unconditional Cash Transfer (UCT) in the form of N-power programme whereas this programme has only been able to capture a few of the army of the unemployed, indigent and poverty ridden individual in the nation for a negligible period of time. As reported by Oduro (2015) many rural dwellers, whose only source of livelihood is informal work in the agricultural sector, the limited formal social security arrangements that exists causes them to be excluded. Only citizens engaged in the formal public employment (e.g., civil servants, and public sector workers) benefit from these formal social security (Oduro, 2015). Consequently, many citizens, as this study found, are still excluded from state social protection, and feel seriously betrayed by the State which they see as the custodian of their rights and entitlements to social welfare provisions. However, these reform initiatives are worthy of emulation for the Nigerian government especially that the largest concentration of the poor in the world is now housed in the country being the capital of poverty in the world.

#### **5.0 CONCLUSION AND RECOMMENDATIONS**

This paper is on inclusive poverty reduction for sustainable development in Nigeria. The paper has put forward inclusive poverty reduction is possible in Nigeria based on the Policy appraisal conducted in the paper using the Chinese model as a basis for analysis. That is, policy makers should indeed give attention to pro-poor growth in the strong absolute sense in reducing absolute inequality and to accelerate sustainable development.

It is on this note that the study put forward the following recommendations drawn from previous related works and studies, that:

- a) Government policy on poverty alleviation should follow a multisectoral approach where all the stakeholders are given specific roles to play.
- b) Government should determine how the intended beneficiaries are to be identified to ensure that the benefits reach them directly.
- c) Government should initiate a comprehensive method of sustaining the programmes over a specified period of time.
- d) The poor should be drawn into the design of programmes that affect them. Towards this, a Bottom Top approach should be adopted in the conceptualisation and the design of poverty alleviation programmes.
- e) Governments poverty alleviation programmes should be backed by and supported with comprehensive public enlightenment programme at the rural areas, so as to draw the people massively to the programme.
- f) Poverty alleviation programmes should be packaged to cater for different vocations in different geographical zones. For instance, the riverine and arid areas should enjoy



designed-to-type poverty alleviation programmes to enhance local people engaged in marine life and farming activities.

g) Permanent Ministry of Poverty, Welfare and Rural Development should be created by all States in Nigeria, and be tasked with the welfare, poverty reduction and rural development. With this in place, there would be continuity in the programmes relating to poverty and rural development, instead of ad-hoc arrangements so far.

## REFERENCES

1. Abdu, H. (2005). Impact of National Poverty Eradication Programme (NAPEP) on Income Changes in Rural Areas Unpublished seminar paper, Abuja.
2. Ageme, A.E, C. A. Anisiuba, Felix Chukwubuzo Alio, Hillary Chijindu Ezeaku J.U.J. Onwumere (2018). Empirical Assessment of the Effects of Financial Inclusion on Poverty Reduction in Nigeria European Journal of Economics, Finance and Administrative Sciences Issue 99:20
3. Aku P.S & Oladeji, S.I. (1997). *Perspective on Poverty and Poverty Alleviation Strategies in Nigeria* NES Annual Conference.
4. Addae-Korankye, A., 2014, 'Causes of poverty in Africa: A review of literature', American International Journal of Social Science 3(7), 147–153.
5. Aigbokhan, B.E., 2008, 'Growth, inequality and poverty in Nigeria', a paper prepared for United Nations Economic Commission for Africa (UNECA), Addis Ababa, Ethiopia, February, 2008.
6. Aku, P.S., Ibrahim, M.T. & Bulus, Y.D., 1997, 'Perspective on poverty alleviation strategies in Nigeria', in Proceedings of the Nigerian Economic Society Annual Conference on Poverty Alleviation in Nigeria, Nigerian Economic Society, Ibadan, August 22-24, pp. 41–54.
7. Asuru, C., (2017). Gender Equality and Sustainable Development in Nigeria; International Journal of Advanced Studies in Economics and Public Sector Management, 5(1):74-82.
8. Blank, R. M. (2003). Selecting among anti-poverty policies: Can an economist be both critical and caring? *Review of Social Economy*, 61 (4):447-469.
9. Buba, A. And Ibrahim, I.A. (2016). Poverty Alleviation In Nigeria: An Assessment Of Government Policies, Proceedings Of Academics World 46th International Conference, Dubai, UAE, 29th-30th September, 2016.
10. Fapohunda, T.M., (2012). 'The global economic recession impact and strategies for human resources management in Nigeria', *International Journal of Economics and Management Sciences* 1(6), 7–12.
11. Fund for Peace (2012). 'Poverty, infrastructure again: Nigeria ranked 14<sup>th</sup> failed country in Africa *The Tribune. June 30<sup>th</sup>*.
12. Garba, A. (2006). *Alleviating Poverty in Northern Nigeria*. A paper presented at the annual convention of Zumunta Association, Minneapolis, MN, USA. July 28-29.
13. Gunu, U. (2013). 'Entrepreneurship in the context of the Nigerian business environment' in Adebola, S.A. & Gbadeyan, R.A. (eds.) *Management and entrepreneurship in societal transformation: perspectives from Africa* Ilorin: Unilorin press
14. Hussaini, M. (2014). Poverty Alleviation Programs In Nigeria: Issues and Challenges, *International Journal of Development Research*, 4 (3): 717-720.
15. Ikechi, E. and Edward, D.B. (2009). "Challenges and Opportunities facing African Entrepreneurs and their Small Firms. *International Journal of Business Research* 9(3).
16. Karlsson (2001). Opening Address, in Pleskovic, B and N stern eds. Annual World Bank Conference on Development Economic 2000, 7-11.
17. Oduro, R. (2015). Beyond poverty reduction: Conditional cash transfers and citizenship in Ghana. *International Journal of Social Welfare*, 24(1), 27-36.
18. Omoniyi, B.B., (2018). 'An examination of the causes of poverty on economic growth in Nigeria', *Africa's Public Service Delivery and Performance Review* 6(1), a175. <https://doi.org/10.4102/apsdpr.v6i1.175>
19. Omoniyi, B.B., (2016). 'Impact of poverty on economic growth: A comparative analysis of Nigeria and Ghana', Unpublished PhD thesis, Ekiti State University, Ado-Ekiti.
20. Oyeranti and Olayiwola (2005). Policies and Programmes for poverty reduction in rural Nigeria, an interim research report submitted to the African economic research consortium.
21. SEEDS, (2004). State Economic Empowerment and Developmental Strategy (SEEDS), Report: NPC, Abuja, Nigeria.
22. Sen, A. (1999). *Development as Freedom*. New York: Anchor.
23. Umeji, G., (2020). Social Inclusion: A Poverty Reduction Approach. *JAAR*: 8(2). Available at SSRN: <https://ssrn.com/abstract=3708593>
24. World Bank (2000). *Attacking Poverty: World Development Report 2000/1*. Washington, World Bank.
25. World Bank (1996). *Nigeria, Poverty in the Midst of Plenty: The challenge of Growth with Inclusion*. Washington, D.C.: World Bank.
26. World Bank. (2008). *World Development Report 2009*.
27. World Bank. (2000). *Poverty in the Age of Globalization*. Washington DC.